GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:2360
ANSWERED ON:06.03.2003
WITHDRAWAL OF SALES TAX EXEMPTION FROM CSD
NARESH KUMAR PUGLIA;SHYAMA SINGH

Will the Minister of DEFENCE be pleased to state:

(a) whether several State Governments have urged the Union Government to permit withdrawal of tax exemptions on sale of items through CSD route;

(b) if so, the details thereof and whether misuse of CSD facility by non-defence personnel has increased in various parts of the country;

(c) if so, the facts and details thereof;

(d) whether the Union Government also propose to check rampant leakages in the CSD mechanism since most of the products from canteens are availed by the people outside the defence services; and

(e) if so, the details thereof?

Answer

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES)

(a) No, Sir.

(b) There is no misuse of CSD facilities.

(c) Not applicable in view of answer at (b) above.

(d) Checks already exist to ensure that there is no leakage of stores.

(e) Not applicable in view of answer at (d) above.